

MINUTES

MONTANA SENATE 59th LEGISLATURE - REGULAR SESSION

COMMITTEE ON PUBLIC HEALTH, WELFARE AND SAFETY

Call to Order: By **CHAIRMAN BRENT R. CROMLEY**, on January 17, 2005
at 3:00 P.M., in Room 317-A Capitol.

ROLL CALL

Members Present:

Sen. Brent R. Cromley, Chairman (D)
Sen. John Cobb (R)
Sen. John Esp (R)
Sen. Duane Grimes (R)
Sen. Lynda Moss (D)
Sen. Jerry O'Neil (R)
Sen. Trudi Schmidt (D)
Sen. Dan Weinberg (D)
Sen. Carol Williams (D)

Members Excused: None.

Members Absent: None.

Staff Present: David Niss, Legislative Branch
Rita Tenneson, Committee Secretary

Please Note. These are summary minutes. Testimony and discussion are paraphrased and condensed.

Committee Business Summary:

Hearing & Date Posted: SB 137, 1/11/2005; SB 113, 1/11/2005
SB 105, 1/11/2005; SB 150, 1/11/2005
SB 110, 1/11/2005
Executive Action: None.

HEARING ON SB 137

Opening Statement by Sponsor:

SEN. DAVE LEWIS, SD 42, opened the hearing on **SB 137**, License tattoo and body-piercing businesses.

EXHIBIT (phs12a01)

Proponents' Testimony:

Janet Stetzner, Supervisor Food and Consumer Safety Division, DPHHS, spoke in support of the bill. Ms. Stetzner gave the committee additional exhibits from individuals in support of the bill as well as a fact sheet and question and answer sheet for SB 137.

EXHIBIT (phs12a02)

EXHIBIT (phs12a03)

EXHIBIT (phs12a04)

EXHIBIT (phs12a05)

EXHIBIT (phs12a06)

Ted Kylander, representing the Yellowstone City-County Health Department, in support of SB 137.

EXHIBIT (phs12a07)

Joan Miles, Health Officer, Lewis and Clark County, pointed out the bill doesn't provide for local programs. Operators would need one non-duplicate license. Her department suggested licensing and regulating both tattoo and body piercing establishments. Lewis and Clark County would like to establish a program for tattoo parlors as well as body piercing.

Jim Stafford, Tattoo Shop Manager, supports the bill because of his concerns with infection. He asked a lady at Claire's in the mall how she got certified. She said she watched three piercings and did two of them for body piercing certification. He wants body piercing, as well as tattooing, regulated. He has been in business in Helena one year and has not seen one health official.

Pat Melby, Montana Medical Association and Association of Physicians Practicing in Montana. They strongly support SB 137. He was in favor of statewide licensing and regulation for body piercing and tattooing.

Michael Burns, Stainless Steel Tattoo Arts in Missoula County, strongly supported the bill. He added that department stores should be included. They have the same high risks as his business and they can pierce minors. He mentioned that, in his ten years of business, 80 percent of the infections he sees have been from department stores. Department stores are lax on giving proper instructions. He would like to see body piercing included in the bill.

Jim Carlson, Director of Environmental Health, Missoula City-Health Dept read from written testimony.

[EXHIBIT](#) (phs12a08)

Judy Harbrecht, RDH, Oral health professional read from written testimony.

[EXHIBIT](#) (phs12a09)

[EXHIBIT](#) (phs12a10)

Opponents' Testimony: None.

Informational Testimony: None.

Questions from Committee Members and Responses:

SEN. O'NEIL asked **SEN. LEWIS** if he had any information from the Gallatin County Health Department regarding body piercing and tattooing in reference to infection. **SEN. LEWIS** replied he had a dozen e-mails from county health officers and the testimony he presented from the dental hygienist from Billings. He didn't have a formal report.

SEN. WEINBERG asked **Ms. Stetzner** if there were people from their Department able to do these inspections now or if will they need more people for these inspections. **Ms. Stetzner** answered it would be absorbed by present staff.

SEN. ESP asked what the functions of staff in rural counties doing inspections were at this time. **Ms. Stetzner** told him they were inspecting food establishments, public accommodations, etc. **SEN. ESP** wanted to know if these people would have to take a class on body piercing and tattooing. **Ms. Stetzner** said they are looking at standards of sanitation and that would be covered under this bill.

SEN. CROMLEY asked **Ms. Stetzner** if there would be a fee for the license and how it would be paid. **Ms. Stetzner** replied the

proposed fee would be approximately \$125.00 for a single establishment and \$175.00 for multiple. It would be collected based on actual costs, including the inception and running of the program. **SEN. CROMLEY** wanted clarification on the new section 2 of the bill, paragraph 1 sub b, indicating the term body piercing does not include the use of a mechanized pre-sterilized ear-piercing system that penetrates the outer perimeter or lobe of the ear. He wanted to know what the outer perimeter of the ear entailed. **Ms. Stetzner** said it was the little fleshy part. If cartilage was pierced, it would not be exempt. **SEN. CROMLEY** thought more blood would make infection spread. **Ms. Stetzner** thought there was less blood in that part of the ear, making it less likely infection would spread.

SEN. GRIMES asked **SEN. LEWIS** if this would include places like Wal-Mart, etc. **SEN. LEWIS** said the regular earring piercing did not raise the same level of risk. He said he received e-mails regarding everyone be regulated.

SEN. CROMLEY asked what **SENATOR LEWIS'** reaction would be if the sub-part b, under section 1 was taken out. **SEN. LEWIS** answered that it would be up to the committee.

Closing by Sponsor:

SEN. LEWIS said piercing of skin and opening it up for infection seemed a proper rule for government.

HEARING ON SB 113

{Tape: 2; Side: A; Approx. Time Counter: 0 - 2.8}

Opening Statement by Sponsor:

SEN. DAN HARRINGTON, SD 38, opened the hearing on **SB 113**, Clarify county attorney responsibility for guardianship.

This bill is at the request of the Department of Health and Human Services (DPHHS) and it allows the county attorney to represent the Department in petitioning temporary guardianship issues in an emergency case. Because some county attorneys refuse to represent the Department, the Adult Protective Services (APS) has had to spend limited State money on legal services to uphold a direct need for food, shelter, clothing and prescriptions. Last year the State spent \$23,789 dollars for the elderly or disabled on these services statewide. He added that it was not a new mandate for the counties to work with the State to provide these emergency services.

{Tape: 2; Side: A; Approx. Time Counter: 4.3 - 8.7}

Proponents' Testimony:

Rick Bartos, APS, DPHHS, told the committee his Department investigates about 2600 referrals a year regarding allegations of abuse, neglect and exploitation of the elderly and disabled. He added the Legislature requires the Department to work closely with law enforcement, county attorneys, Medicaid Fraud Control Unit and the State Insurance Commissioner's office to deal with these cases. The emergency hold authorized by the Legislature only exists for 48 hours. He said the Ravalli County Attorney refused to represent the Department in these emergency situations. The Department has met with representatives of the Ravalli county attorneys office, and two district judges regarding the Department's assistance in reducing the number of petitions for temporary guardianships. He has established a non-profit corporation, shifting approximately 125 guardianships to this organization.

{Tape: 2; Side: A; Approx. Time Counter: 8.7 - 14.5}

Casey Blumenthal, Vice President, Montana Health Association (MHA), and Association of Montana Care Providers, supported the bill as it would assist nursing homes in providing added protection for elderly within the State.

{Tape: 2; Side: A; Approx. Time Counter: 14.5 - 15.4}

Rose Hughes, Executive Director, Montana Health Care Association, said they are called upon to deal with elderly who do not have guardians. She emphasized the importance of having a guardian for these people in an emergency situation.

{Tape: 2; Side: A; Approx. Time Counter: 15.4 - 16.5}

Opponents' Testimony:

Gordon Morris, Director Montana Association of Counties, told the committee county attorney criminal cases have risen and county attorneys would like to be rid of this guardianship responsibility. He pointed out that there is a hearing tomorrow on SB 146 in Judiciary Committee, which is the Public Defender Bill. That bill, in section 64, addresses guardianships and issues with the county attorney, taking them out of guardianships.

{Tape: 2; Side: A; Approx. Time Counter: 16.5 - 21}

George Korn, Ravalli County Attorney and Montana County Attorneys' Association, pointed out the long hours he spent on several abuse cases in his office and the allegations he did not take care of people's needs. The reason he and others oppose SB 113 is because it is cost-shifting, requiring a county agency to do day-to-day operations for a State agency.

EXHIBIT (phs12a11)

{Tape: 2; Side: A; Approx. Time Counter: 21 - 27}

{Tape: 2; Side: B; Approx. Time Counter: 0 - 1}

Kathy Coey opposed the bill because the county attorney's office is very busy and does not have time to do full investigations. When relying on DPHHS they do not have all the facts. Therefore they bring things to court not fully investigated expecting courts to rule on it.

{Tape: 2; Side: B; Approx. Time Counter: 1.0-2.0}

Informational Testimony: None.

Questions from Committee Members and Responses:

SEN. ESP questioned **Gordon Morris** about the other bill dealing with representation for the incapacitated person. SB 113 is how the Department begins a complaint or files a petition alleging incapacitation. **Mr. Morris** said SB 113 basically constitutes the Department's authority to order a finding of incapacity and representation on the part of the county attorney. He said it is inappropriate for the county attorney to be mandated to supply this service and is more appropriate for this to be performed under the state-administered public defender's system. The Department would work with the public defender director under the Montana Public Defender Act and that person would designate one of the public defender office's staff attorneys in the region to represent the Department under SB 146.

{Tape: 2; Side: B; Approx. Time Counter: 2 - 4.5}

SEN. ESP asked **Mr. Korn** how much of his office was funded with State dollars. **Mr. Korn** thought about 3 to 4%. In the larger office of county attorneys about 1/2 of a percent of their budget. The larger counties are less. **SEN. ESP** asked if they pay half of his salary and no others. **Mr. Korn** said that is all the State pays. The rest comes directly from county budgets. They process abuse neglect cases for the Department in Ravalli County. They hired a private attorney for them at approximately \$104,000

this year. This money comes directly from a county budget to fund the operation of the State agency.

{Tape: 2; Side: B; Approx. Time Counter: 4.5 - 7.1}

SEN. GRIMES asked **Mr. Bartos**, out of the twelve cases a year, if there was there a case where the county attorney didn't take them because of a disagreement with the Department. **Mr. Bartos** replied that, in five years, he wasn't aware of any county attorney that refused to take a case statewide with a conflict of interest or disagreement with the Department. **SEN. GRIMES** referring to **SEN. ESP'S** line of questioning, asked if he saw any conflict of interest in the Public Defender realm. **Mr. Bartos** answered he understood the Public Defender's Bill represents an indigent defendant and, in this case, an indigent ward. There are two parties involved in the law which should be in place, the petitioner and protective person or the ward. The ward should have access to legal counsel to challenge the Department or any person's petition. He would see a conflict for the public defender to represent the Department where he or she would be in a position to represent the ward's interest for petition of guardian.

{Tape: 2; Side: B; Approx. Time Counter: 4.5 - 8.6}

SEN. GRIMES asked **SEN. HARRINGTON** about a fiscal note. **SEN. HARRINGTON** answered it hadn't come up yet.

SEN. CROMLEY asked if the Department has the right to petition now and the only thing the bill did was add county attorney representation. **Mr. Bartos** answered yes. **SEN. CROMLEY** inquired if, in all the cases involving the Department's making such a petition, was the ward indigent. **Mr. Bartos** thought in most instances, yes, and they would then be put in a position of applying for Medicaid. If the estate did have any monies they would request the Department or county attorney's office be reimbursed from the estate. Most instances are poverty level.

{Tape: 2; Side: B; Approx. Time Counter: 8.6 - 11.3}

SEN. GRIMES referred to the Department being able to petition and appointment a guardian pursuant to 52-3-804(5) which is for an older person. He thought the Department was restricted the way this is drafted. Was that the intention. **Mr. Bartos** said, if that was the case, it was unintentional. Under title 52 the three population basis are elderly persons (60 years of age or older), a disabled person or a developmentally disabled person.

{Tape: 2; Side: B; Approx. Time Counter: 13.2- 13.4}

Closing by Sponsor:

SEN. HARRINGTON did not think the Public Defender Bill was a solution and it could cause a conflict. He thought this bill solved the problem.

HEARING ON SB 105

Tape: 2; Side: B; Approx. Time Counter: 13.4-15.0}

Opening Statement by Sponsor:

SEN. JOHN COBB, SD 9, opened the hearing on **SB 105**, Expand health care providers available at ringside.

The Board of Athletics' responsibility is to assure, manage and protect public safety and the statute requires a licensed physician be ringside for each professional and nonprofessional boxing event. There has been a shortage of physicians. The bill expands the type of appropriate licensed health care providers ringside to include licensed physicians, licensed physician assistants, and certified, licensed, advanced practice registered nurses, which offers more options to insure safety.

{Tape: 2; Side: B; Approx. Time Counter: 15 - 17.6}

Proponents' Testimony:

Jim Brown, Administrator of Business Standards Division, Department of Labor Industry, said the bill is very simple and he had staff present to answer questions.

{Tape: 2; Side: B; Approx. Time Counter: 17.6 - 18.3}

Opponents' Testimony: None.

Informational Testimony: None.

Questions from Committee Members and Responses:

SEN. WILLIAMS asked if there were emergency procedures that may have to be done at ringside, which some of the people included in the bill, may not be able to do. **Mr. Brown** wasn't aware of any. The three professionals identified are able to diagnose neurological problems. **SEN. WILLIAMS** asked if everyone on the list was able to diagnose neurological problems. **Mr. Brown** answered yes.

{Tape: 2; Side: B; Approx. Time Counter: 18.3 - 21.1}

SEN. ESP asked if PAs and advanced practice registered nurses were licensed for emergency room qualifications. **Mr. Brown** answered yes.

{Tape: 2; Side: B; Approx. Time Counter: 21.1 - 21.7}

SEN. WEINBERG expressed concerns regarding treatment such as brain trauma being treated on the spot. **Mr. Brown** said they could be diagnosed and stabilized until the person gets to the hospital. **SEN. WEINBERG** said if he suffered a brain trauma he would prefer a MD present.

{Tape: 2; Side: B; Approx. Time Counter: 21.7- 27}

{Tape: 3; Side: A; Approx. Time Counter: 0 - 0.3}

Closing by Sponsor:

SEN. COBB informed the committee that five other states have the same people, it is not new in Montana. Chiropractors were specifically left off because they cannot diagnose neurological.

HEARING ON SB 150

{Tape: 3; Side: A; Approx. Time Counter: 0.3 - 0.8}

Opening Statement by Sponsor:

SEN. BOB KEENAN, SD 5, opened the hearing on **SB 150**, Medicaid redesign: Cost-sharing for community-based medicaid services.

There are some children who, by diagnosis, have Medicaid eligibility but their parents have assets where they may need to share in the costs of care.

{Tape: 3; Side: A; Approx. Time Counter: 0.8 - 3.8}

Proponents' Testimony:

Joe Mathews, Administrator of Disabilities Services Division, DPHHS, told the committee the developmental disabilities and senior long-term care divisions have a waiver-of-deeming clause with the federal government, which allows states to exclude parental income when determining Medicaid eligibility for waiver participants living outside an institutional setting. This has enabled a parent with a significantly developmentally disabled child to get the child on Medicare and keep the child at home.

There are people who have children with significant disabilities or elderly with the same with a high income. The Medicaid redesign team, thinking of Medicaid as a health insurance program for the poor, found a problem with it. There are individuals with high incomes where the child comes under the Medicaid waiver. The mental health system does not work that way. Those parents are asked to participate in a cost share. The Medicaid redesign committee is looking for input from the legislature as to what the Department should do. If the Department doesn't make changes, there will be people with substantial incomes coming into the program if their child meets the waiver criteria for Medicaid regardless of parental assets. If the Department realizes revenue from a cost share, this could be put into a special revenue account to get more people off the waiver.

{Tape: 3; Side: A; Approx. Time Counter: 3.8 - 10}

Bonnie Adee, Mental Health Ombudsman for Montana, had a letter from a client from Missoula in favor of SB 150. She would be open to cost-sharing also.

EXHIBIT (phs12a12)

{Tape: 3; Side: A; Approx. Time Counter: 10 - 12.7}

Opponents' Testimony:

Chris Volindy, Family Outreach and CDC Montana, said they had their first waiver in 1981 to keep children at home so they wouldn't have to be institutionalized. One of the biggest draws on the Medicaid budget is people with disabilities. She thought families would have to be either very poor or very rich to be able to afford all the medical expenses involved. They do not put mentally retarded children in institutions in Montana. There are thirteen in group homes, some in foster homes, and some with natural families. Many reside with their families when they reach adulthood. The most expensive part of care is the 24-hour care. Their surveys showed a percentage of families, after medical and travel expenses out of state, etc.; very few families qualify for co-pay.

{Tape: 3; Side: A; Approx. Time Counter: 12.7 - 17.8}

Informational Testimony:

Rose Hughes, member of the Medicaid Re-design Committee, said the information that came to the committee showed different eligibilities for different sorts of diagnoses. Some parents, who

had children with problems, were being treated differently than other parents. Medicaid cuts sometimes reduced eligibility and services for people who were going through tough times. They believed, if there were families that had money and could afford to do a co-pay without threatening the child's position within the family, it was appropriate to look at cost-sharing.

{Tape: 3; Side: A; Approx. Time Counter: 17.8 - 20.3}

Questions from Committee Members and Responses:

SEN. WEINBERG asked **Mr. Mathews** how they would make the distinction between middle class and very wealthy families regarding their ability to pay. **Mr. Mathews** said the waiver pertained to some families with income. It had not been done on the mental health site. There was a question about 150 families and how it would be done if they wrote a waiver. They would have to figure the percentage of poverty and try to break it down. A lot of high income families may have a child with special needs. He said it was tough to take a line and divide it. **Senator Weinberg** would question how many families are out there who would be asked to participate. **Mr. Mathews** said they did a survey in the developmental disability system and found about half are on Medicaid and half aren't. The numbers in senior long-term-care division are 19 families.

{Tape: 3; Side: A; Approx. Time Counter: 20.3 - 27}

{Tape: 3; Side: B; Approx. Time Counter: 0 - 3}

SEN. GRIMES asked if the Medicaid Redesign discussion related to the bill could be made available to committee members. **Mr. Mathews** said it was available and they could get it to the members who don't have it. **SEN. GRIMES** asked why this was coming up now when there had been recovery and spend-down of resources for years. **Mr. Mathews** replied the people in this bill are people on the developmental disability home and community based waiver which is the same as senior and long-term care. They had this waiver for a number of years. If a child is eligible for Medicaid, and the diagnosis comes under the waiver, they waive the parent's income.

{Tape: 3; Side: B; Approx. Time Counter: 3 - 4.8}

Closing by Sponsor:

SEN. KEENAN said they are looking at people who could afford contributing to services for their children vs cutting programs or having people on the waiting list. He was thinking of a private non-profit provider who would talk to the parent of a disabled child and ask if there was some way for them to contribute to the care.

HEARING ON SB 110

{Tape: 3; Side: B; Approx. Time Counter: 4.8 - 5.0}

Opening Statement by Sponsor:

SEN. JOHN COBB, SD 9, opened the hearing on **SB 110**, Medicaid redesign: HIFA and 1115 demonstration waiver authority.

This explores new options for providing Medicaid funding. His chart shows general funds, Medicaid as well as the entitlement Medicaid income and the Medicaid waiver information.

EXHIBIT (phs12a13)

EXHIBIT (phs12a14)

{Tape: 3; Side: B; Approx. Time Counter: 5 - 15.1}

Proponents' Testimony:

John Chappuis, Deputy Director, DPHHS, explained they are able to take advantage of a waiver from the federal government enabling the Department to strengthen existing services and provide Medicaid-funded healthcare benefits to several thousand uninsured low-income Montanan's at no additional cost to the State. **Mr. Chappuis** handed the committee an E-mail from **Jay Clark**, a member of the **Montana Public Health Redesign Project**.

EXHIBIT (phs12a15)

EXHIBIT (phs12a16)

Kathy McGowan, MT MCHS, supports the waiver. They think it gives more stability for people they serve. A lot of them have no physical health benefits and this would also include some community hospitalization benefit.

{Tape: 4; Side: A; Approx. Time Counter: 3.6 - 5.8}

Dr. Gary Mihelish, President of the National Alliance for the Mentally Ill, Medicaid Redesign Committee went on record as supporting the bill.

Tanya Ask, Blue Cross Blue Shield Montana, Montana Comprehensive Health Association, told the committee the bill provides basic health care benefits to Montana's low income uninsured. Exhibit #17 shows included preventive health care costs and information. The following exhibit #18 is the Montana Comprehensive Health Association fact sheet showing what this program provides.

[EXHIBIT \(phs12a17\)](#)

[EXHIBIT \(phs12a18\)](#)

{Tape: 4; Side: A; Approx. Time Counter: 5.8 - 10.6}

Erin McGowan Fincham, State Auditor's Office, supporting the bill as it covers some of the 172,000 uninsured Montanans. The current biennium has 1.3 million and Governor Schweitzer has 1.1 million budgeted for MPHA. She added, that is \$560,000 per year. She said there was around \$350,000 per year that could be matched with the Medicaid federal rate. They would like to have that subsidy raised back up to at least 55% per month.

{Tape: 4; Side: A; Approx. Time Counter: 10.6 - 15.7}

Joy Bruck, American Association of Retired People (AARP) Montana, told the committee that in a December 2004 survey, 86% of their members, showed the #1 Legislative priority was access to affordable quality health care. AARP offered three amendments to the bill shown in the following exhibit. **SEN. CROMLEY** asked her to give the amendments to a committee member.

[EXHIBIT \(phs12a19\)](#)

{Tape: 4; Side: A; Approx. Time Counter: 15.7 - 19.4}

Janie McCall, Deaconess Billings Clinic and Montana Children's Initiative Prover Association, spoke in support of the bill.

{Tape: 4; Side: A; Approx. Time Counter: 19.4 - 21.3}

Pat Melby, Montana Medical Association spoke in support.

Bill Slaughter, Department of Corrections, urged support of the bill. The 18 to 21 year olds, coming out of an institution who are on medications, would need this support in their challenge to get back into the system.

{Tape: 4; Side: A; Approx. Time Counter: 21.3 - 24.7}

Bob Olson, Montana Hospital Association (MHA) and Association of Hospitals and Nursing Homes, Home Health and Hospice rose in support.

Bonnie Adee, Mental Health Ombudsman, in support. She questioned how to limit this for coverage.

{Tape: 4; Side: A; Approx. Time Counter: 24.7 - 27}

Jeff Olson rose in favor.

Edith Clark, State Representative 1999-2004, presented an E-mail received by John Chappuis, in support of the 115 Waiver to SB 110.

EXHIBIT (phs12a20)

Opponents' Testimony: None.

Informational Testimony: None.

Questions from Committee Members and Responses:

SEN. SCHMIDT asked **Mr. Chappuis** if he had seen AARP's amendments. **Mr. Chappuis** had just seen them today. He will confer with AARP regarding their concerns. **SEN. SCHMIDT** asked if they were considering public comments again. **Mr. Chappuis** answered they would make it public notice. **SEN. SCHMIDT** asked how he felt about the limits. **Mr. Chappuis** replied it wouldn't apply to basic Medicaid except the able bodied waiver which has a cap on it.

{Tape: 4; Side: B; Approx. Time Counter: 0 - 3.3}

SEN. GRIMES complimented the redesign team, then asked **Ms. Ask** if they were taking the Montana Comprehensive Health Association (MCHA) funding plus the monies coming in from the MCHA from the tobacco and using them for leverage with a Medicaid three to one match. By doing so, will they have the stipulations of the Health Insurance Portability and Accountability Act (HIPPA) waiver. **Ms. Ask** told him the MCHA received money from the tobacco settlement for purchasing premium subsidies for people eligible for MCHA. The HIPPA waiver investment was state funding received last session at approximately 1.1 million for the biennium. That piece of it is state funding and endowed specifically for the premium assistance plan. They would like to leverage that. **SEN. GRIMES** understood that nothing would change under MCHA. **Ms. Ask** told him the Board and the Auditor's Office have been working on this.

They would like to allow more people to get the subsidies and increase the subsidy.

{Tape: 4; Side: B; Approx. Time Counter: 3.3 - 6.6}

SEN. GRIMES redirected his question to **Mr. Chappuis**, who answered that the 166 doesn't apply to MCHA; it applies to the Medicaid populations. MCHA would be talked through the Commissioner's office. **SEN. GRIMES** wanted to know about cost-shifting; as more people will be shifted from uninsured to the Medicaid system. **Mr. Chappuis** told him this is an uninsured population with low incomes. If they get on the Medicaid system there will be cost-shifting. With CHIP, 1800 will be under the Blue Cross system. **SEN. GRIMES** questioned what happens once the 11-15 waiver is approved. **Mr. Chappuis** told him it is an 11-15 waiver which would be for five years. The greatest concern for this type of waiver is inflation at 8% per year which generally does not happen within the Medicaid population. They are controlling it at the \$166 figure for the adult population. It's a controlled amount. The employer is paying the difference for private insurance. If it cost \$300, the employer is paying \$134 as an example.

{Tape: 4; Side: B; Approx. Time Counter: 6.6 - 11.7}

SEN. GRIMES asked **Ms. Ask** if there was a relationship between group rates and reimbursement offered in the MCC program and the number of people on that waiver. Should the number be increased. **Ms. Ask** told him they have no more additional funds for getting more people on the premiums. If they were able to get federal money, they would be able to put people who are on the waiting list on the MCHA program. **SEN. GRIMES** thought this may cause more people getting into the program and jeopardizing the entire project. **Ms. Ask** didn't think so.

{Tape: 4; Side: B; Approx. Time Counter: 11.7 - 14.7}

Closing by Sponsor:

SEN. COBB closed, saying the Department needs approval to proceed. There are 4000 high-risk people who cannot get insurance. About 430 people could be served in their own homes.

{Tape: 4; Side: B; Approx. Time Counter: 14.7 - 21.7}

ADJOURNMENT

Adjournment: 5:45 P.M.

SEN. BRENT R. CROMLEY, Chairman

RITA TENNESON, Secretary

BC/RT

Additional Exhibits:

EXHIBIT ([phs12aad0.TIF](#))